# 2001 DRAFTING REQUEST

### Bill

Received: 02	2/27/2001				Received By: sho	oveme		
Wanted: As time permits					Identical to LRB:			
For: <b>Fred R</b>	isser (608)	266-1627			By/Representing:	Jim O'Keefe	<b>.</b>	
This file may	y be shown	to any legislat	or: NO		Drafter: shoveme	<b>)</b>		
May Contac	7-8724	omacki Ilhoefer			Addl. Drafters:			
Subject:	Munis -	tax incrmnta	financing		Extra Copies:			
Submit via e	mail: NO							
Requester's	email:							
Pre Topic:			<del></del>					
No specific 1	ore topic gi	ven			•			
Topic:								
Filing forms	related to	the creation of	a tax increme	ental financi	ng district			
Instructions	S:	· · · · · · · · · · · · · · · · · · ·						
See Attached	l. Require	DOR to certify	the tax incre	emental base	e of TID # 28 and 7	ΓID # 29 in Ma	adison	
Drafting Hi	story:							
Vers. D	rafted	Reviewed	Typed	Proofed	Submitted	<u>Jacketed</u>	Required	
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04/05/2001 03:27:12 PM Page 2

FE Sent For:

<END>

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				By/Representing: Jim O'Keefe			
This file	may be shown	to any legisla	tor: NO		Drafter: shoveme		
May Co	ntact: Joe Gro 7-8724	omacki			Addl. Drafters:		
		llhoefer					
Subject:	Munis -	· tax incrmnta	l financing		Extra Copies:		
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Topic:							
Filing fo	orms related to	the creation of	a tax incrementa	l financin	g district		
Instruc	tions:	: 1					
See Atta	ched. Require	DOR to certify	y the tax increme	ntal base	of TID # 28 and T	ID # 29 in Ma	adison
Draftin	g History:						
Vers.	Drafted	Reviewed	Typed P	roofed	<u>Submitted</u>	<u>Jacketed</u>	Required
/1	shoveme 03/22/2001	jdyer 03/23/2001	pgreensl <u> </u>		lrb_docadmin 03/23/2001		S&L

FE Sent For:

<**END**>

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Bill

Received: 02/	27/2001	Received By: shoveme
Wanted: As ti	me permits	Identical to LRB:
For: Fred Ris	ser (608) 266-1627	By/Representing: Jim O'Keefe
This file may	be shown to any legislator: NO	Drafter: shoveme
May Contact:	Joe Gromacki 7-8724 Ann Zellhoefer 1-9973	Alt. Drafters:
Subject:	Munis - tax incrmntal financing	Extra Copies:
Pre Topic:		
No specific pr	re topic given	
Tonic:		

Instruction	ons:
THE HELL	omo.

See Attached. Require DOR to certify the tax incremental base of TID # 28 and TID # 29 in Madison

#### **Drafting History:**

Vers.

**Drafted** 

Reviewed

Filing forms related to the creation of a tax incremental financing district

Proofed

Submitted

**Jacketed** 

Required

shoveme

FE Sent For:

<END>

# STATE OF WISCONSIN – **LEGISLATIVE REFERENCE BUREAU** – LEGAL SECTION (608–266–3561)

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## State of Misconsin 2001 - 2002 LEGISLATURE

LRB-2654/

PRELIMINARY DRAFT - NOT READY FOR INTRODUCTION

(500N)

AN ACT : relating to: the publication of notices relating to the creation of tax

incremental financing districts.

Analysis by the Legislative Reference Bureau

Under the current tax incremental financing program, a city or village may create a tax incremental district (TID) in part of its territory to foster development if at least 50% of the area to be included in the TID is blighted, in need of rehabilitation, or suitable for industrial sites. Before a city or village may create a TID, several steps and plans are required. These steps and plans include public hearings on the proposed TID, preparation and adoption by the local planning commission of a proposed project plan for the TID, approval of the proposed project plan by the common council or village board, and adoption of a resolution by the common council or village board that creates the district as of a date provided in the resolution. Before the required public hearings are held, the city or village that wishes to create a TID must publish public notices that include information about the place, time, and subject of the hearings. Another step that must be taken before a TID may be created is the creation by the city or village of a joint review board to review the proposal. The joint review board, which is made up of representatives of the overlying taxing jurisdictions of the proposed TID, must approve the project plan or the TID may not be created. If an existing TID project plan is amended by a planning commission, all of these steps are also required.

Once these steps are accomplished, the city clerk is required to complete certain forms and an application and submit the documents to the department of revenue (DOR) on or before December 31 of the year in which the TID is created. Upon receipt

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of the application, DOR is required to certify the full aggregate value of the taxable property in the city, which constitutes the tax incremental base of the TID.

This bill specifies that if a city which created or attempted to create a TID in October 1999 and in September 2000 published the required public notices before the required public hearings were held, in substantial compliance with the statutory requirements, although the notices contained technical deficiencies regarding the time, place, or subject of the hearings, the creation date of both TIDs shall be January 1, 2000, and DOR must proceed as if they were created on that date.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

# The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. 66.1105 (5) (bg) of the statutes is created to read:

66.1105 (5) (bg) Notwithstanding the requirements in sub. (4) (a), (c), and (e), if a city that created, or attempted to create, a tax incremental district in October 1999 and in September 2000 and published the notices required under sub. (4) (a), (c), and (e), and was in substantial compliance with the notice requirements although such notices contained technical deficiencies regarding the time, place, or subject of the required hearings, the department of revenue shall determine the tax incremental bases of the districts, allocate tax increments, and treat the districts in all other respects as if the requirements under sub. (4) (a), (c), and (e) had been strictly complied with and as if the districts were created on January 1, 2000.

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# State of Misconsin

#### **LEGISLATIVE REFERENCE BUREAU**

LEGAL SECTION:
REFERENCE SECTION:

(608) 266-3561 (608) 266-0341 (608) 266-5648 100 NORTH HAMILTON STREET P. O. BOX 2037 MADISON, WI 53701-2037

STEPHEN R. MILLER CHIEF

April 25, 2001

### **MEMORANDUM**

To:

Senator Risser

From:

Marc E. Shovers, Sr. Legislative Attorney, (608) 266–0129

Subject:

Technical Memorandum to 2001 SB-138 (LRB-2654/1)

We received the attached technical memorandum relating to your bill. This copy is for your information and your file. If you wish to discuss this memorandum or the necessity of revising your bill or preparing an amendment, please contact me.

#### MEMORANDUM

April 25, 2001

TO:

Marc Shovers

Legislative Reference Bureau

FROM:

Dennis Collier

Department of Revenue

SUBJECT:

Technical Memorandum on SB 138 - Filing Forms Related to the Creation of a

Tax Incremental Financing District

The Department of Revenue (DOR) has concerns regarding the administration of the bill given the date of passage. The bill requires DOR to certify a January 1, 2000, base year for the affected TIDs. DOR could certify a 2000 base value for the affected TIDs; however, certifying the value increments in the first year of the TID could prove difficult if the bill is not passed within the time frame required for certifying value increments.

Ordinarily, DOR certifies value increments beginning the year following creation. To certify the value increments, DOR relies on information submitted by the municipality no later than the second Monday in June. Hence, value increments for a TID with a 2000 base year would require documentation submitted to DOR by June 2001. Passage of the bill after July 2001 would make it impossible for DOR to certify 2001 value increments for the TIDs.

Similar statutory allowances for exceptions to TIF requirements have allowed for the district base year but have pushed the certification of value increments to the next year to allow for the documentation required for DOR to make its determination. The author may wish to add language that would provide for a January 1, 2000, base year but would specify that DOR would not certify a value increment before 2002.

If you have questions regarding this technical memorandum, please contact Rebecca Boldt at 266-6785.